

## **Financial Services Annual Report FY 2003-2004**

On April 27, 2004, the Town Council adopted a \$39.7 million budget for FY 2005, which still maintained the real estate tax rate of \$.20 per \$100, assessed value. This tax rate has been in existence since 1989. On May 11, 2004, the Town Council amended the FY 2005 budget to incorporate an increase in the cigarette tax to fund capital projects. The cigarette tax increased from \$.20/pack to \$.25/pack.

For the twenty-fourth consecutive year, the Town of Blacksburg received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2002. The Town has submitted its Comprehensive Annual Report for the Fiscal Year ended June 30, 2003 for the award. The Town also received for the thirteen consecutive year the GFOA award for Distinguished Budget Presentation for the Town's Fiscal Year Beginning July 1, 2003 budget.

The Town offers payment of services through the Internet to our citizens. The first service available, introduced in March, 2003, through the Internet was inquiry and payment (online with VISA or MasterCard) of Water, Sewer and Refuse/Recycling Services. Since the introduction of this service, over 1,200 customers have utilized this service and approximately 300 payments a month are made through this service. Also available since May, 2004, Internet services for parking tickets inquiry and payment; and real estate taxes inquiry and payment. Since the introduction of these services approximately 50 payments are made a month for parking tickets and approximately 175 payments and \$18,000 was received for real estate taxes. The next Internet service to be offered is vendor access for payment and bid information. All these services are accessible through the Town's website.

### **Revenue and Expenditures**

The Town is composed of seven funds:

- General Fund
- Capital Improvement Fund
- Water and Sewer Fund
- Waste Management Fund
- Golf Fund
- Transit Fund
- Equipment Operations Fund

The General Fund and the Capital Improvement Fund comprise the general government functions of the Town of Blacksburg. The General Fund is used to finance the day-to-day operations of the Town and comprises the largest portion (58.2%) of the total financial operations of the Town.

In Fiscal Year 2004, general fund revenues totaled \$17.3 million, an increase of 9.3% over Fiscal Year 2003. General property taxes comprise 18.8% of General Fund revenues. Other local taxes comprise 35.8% of General Fund revenues. The Town is fortunate to be able to rely upon a very diverse revenue base that is not too dependent on any one source of revenue. The Town's real estate tax collections were 98.1% of the current real estate tax levy of \$3,225,311. The Town has had a tax collection rate in excess of 98% for the past twenty-five years. Our high collection percentages are a result of a concerted effort by Financial Services and the Town Attorney Office to collect all delinquent taxes.

General Fund expenditures exclusive of capital projects totaled more than \$15.9 million in Fiscal Year 2004, an increase of 3.9% over Fiscal Year 2003.

The Fiscal Year 2004 financial affairs of the Town will be subject to an independent audit by Brown, Edwards & Company, LLP Certified Public Accountants. The audit report will be issued in December on the June 30, 2004 Comprehensive Annual Financial Report and will be available for public review.